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MAY 24 1994

May 24, 1994

BY HAND

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William F. Caton  
Acting Secretary  
Federal Communications Commission  
Room 222  
1919 M Street, N.W.  
Washington, D.C. 20554

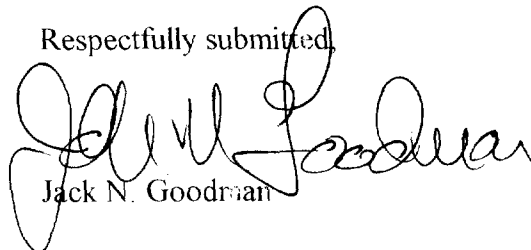
Re: Implementation of Section 9 of the Communications Act,  
MD Dkt. No. 94-19

Dear Mr. Caton:

We are submitting for inclusion in the above-referenced docket copies of two ex parte memoranda that were submitted by NAB to the Offices of Chairman Hundt, Commissioner Quello, Commissioner Barrett, and the Mass Media Bureau. The memoranda discuss the issues of the timeliness of fee filings by broadcast stations and the amount of regulatory fees that satellite television stations should pay. While most of the points addressed in the memoranda were made in NAB's comments in this docket, we are submitting them for the record out of an abundance of caution.

Please address any questions concerning this matter to the undersigned.

Respectfully submitted,

  
Jack N. Goodman

Enclosures

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## REGULATORY FEES ISSUES

MD Docket No. 94-19

- Payments should be deemed timely if they are postmarked by the due date
  - Mail service is increasingly unreliable
  - The large penalty for late arrival (25% of the fee) will likely force licensees to use expensive overnight delivery services, adding to the burden of the fee program
  - Fees will be paid directly by broadcasters with less experience (than communications lawyers) in ensuring timely delivery to the lockbox
  - In a comparable situation, the IRS uses the postmark date to determine whether taxes are timely paid, and apparently has not found this to create any difficulties
  - There would be no revenue impact to the Government from using the postmark date to determine the timeliness of fee payments
- Satellite television stations should not be assessed the fees paid by regular full-power stations
  - Satellite stations function as translators; they repeat the programming of the parent station and require little, if any, separate regulatory attention
  - The statute does not specify any fee for satellite stations, but the FCC proposed to treat them as if they were regular, full power stations
  - Low power translator stations are required to pay a fee of only \$135 annually; under the proposed rule, satellites would pay fees of thousands of dollars each
  - If satellites must pay the same fee as their parent station, some licensees in lightly populated Western markets will pay fees **higher** than stations in Los Angeles or New York
  - Since Congress intended that licensees in large markets with greater revenue bases pay larger fees, the effect of the proposed rule which would impose higher fees on stations in small markets is contrary to Congressional intent

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EX PARTE PRESENTATION

**Examples of the Impact of the FCC's  
Fee Proposal for Satellite Television Stations**

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The maximum regulatory fee for a top-10 market VHF station is \$18,000

California Oregon Broadcasting, licensee of KRCR-TV, Redding, California, will pay a fee of \$8,000 for that station, but would be required to pay \$18,000 for the station's satellite, KFWU-TV, Ft. Bragg, California

CBS will pay an \$18,000 fee for its top-10 O&O stations like WCBS-TV and KCBS-TV. For WCCO-TV, Minneapolis, it would be required to pay \$56,000 because of the station's three satellites

KOTA-TV, Rapid City, South Dakota, would be obligated, due to its three satellite stations, to pay regulatory fees totalling \$20,000

Heritage Media, which operates WPTZ-TV, Plattsburgh, New York, is required to pay \$8,000 in regulatory fees for that station. The fees for its satellite, WNNE-TV, Harford, Vermont, will be \$14,400, for a total of \$22,400

A regulatory fee of \$12,000 will be paid by WTTV-TV, Bloomington, Indiana. Because of its satellite, WTTK-TV, Kokomo, Indiana, River City Broadcasting would be required to pay an additional \$9,600, for a total of \$21,600